

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:  
MARK R. DUCHOW

Serial No.: 09/682,876

Filed: October 26, 2001

For: SYSTEM AND METHOD FOR  
PROVIDING ELECTRONIC VOUCHERS

Group Art Unit: 3622

Examiner: James W. Myhre

Att. Dkt. No.: 05012.0003.CNUS01

DECLARATION OF BRUCE SARGENT UNDER 37 C.F.R. § 1.132

Assistant Commissioner for Patents  
Washington, D.C. 20231

I, Bruce Sargent, hereby declare:

1. I am over the age of eighteen years, and, except for matters identified as being based on information and belief, have personal knowledge of the matters stated herein. If called upon to do so, I would testify as a witness to these matters.

2. All statements made herein on the basis of personal knowledge are true, and all statements made herein on the basis of information and belief are believed to be true.

3. I am Vice President and General Manager of Glastron, a recreational boat manufacturer and a subsidiary of Genmar Holdings, Inc. I have profit and loss responsibility for Glastron products. As part of my responsibilities, I track the sales of Glastron's products, and I supervise and interact with Glastron's sales force and marketing staff on a daily basis. I also interact directly with key customers so that I can

understand the promotional and marketing efforts that contribute to the success of Glastron products in the marketplace.

4. Glastron periodically holds boat sales, usually several times a year.

5. In the spring of 2001, Glastron licensed Mr. Duchow's Internet voucher system and methods for use during the 2001 Glastron boat sale. Glastron licensed Mr. Duchow's voucher system because it provided a new and unique way of selling boats. Specifically, the voucher system allowed Glastron to offer cash purchasing incentives (vouchers) to buyers over the Internet. The vouchers were redeemable only at Glastron dealers local to the buyers. This was the first time Glastron could offer purchasing incentives for our boats over the Internet, without disrupting the dealer agreements and established market territories of our dealers.

6. In April 2001, Glastron initiated a Glastron Boats Internet Sale using the voucher system licensed from Mark Duchow. Mr. Duchow's software allowed buyers to view product information and receive electronic Boat Cash Vouchers over the Internet. The Boat Cash Vouchers gave cash discounts to buyers that were redeemable at local Glastron dealers.

7. A second, larger Internet promotion of Glastron boats using Mr. Duchow's system was active January - March 2002. This second promotional program was called HometownBoatshow.com, and was conducted in conjunction with Glastron's parent company, Genmar. Like the first sale, Mr. Duchow's system was used to allow buyers to view boat product information and download vouchers over the Internet.

8. The commercial success of Mr. Duchow's system has been tremendous. I have examined certain documents and records in the files of Glastron relating to the sales

of Glastron boats. During the first Internet Sale in April 2001, Glastron sold 510 boats using Mr. Duchow's voucher system. This was an increase of 200 units, or 64.5%, over the previous year's boat sale. This sales impact increased revenue by \$3,100,000 over the previous year. During the second Internet Sale in January - March 2002, Glastron sold 1655 boats using Mr. Duchow's voucher system. This was an increase of 23.9% in unit sales over the previous year's boat sale. This sales impact increased revenue by over \$4,800,000 over the same period in the previous year.

9. I attribute this dramatic increase in boat sales principally to the use of Mr. Duchow's voucher system. Until Mr. Duchow's Internet voucher system was available, Glastron was unable to offer cash discounts to potential buyers over the Internet without interfering with the distribution arrangements with Glastron dealers. Mr. Duchow's software was the first website promotional software package that we were aware of that allowed us to offer purchasing incentives over the Internet without upsetting these arrangements.

10. It is my understanding that the Internet voucher system that Mr. Duchow licensed to us is the subject matter of this patent application.

11. I am aware that willful false statements and the like are punishable by fine or imprisonment, or both (18 U.S.C. § 1001).

I declare under penalty of perjury that the foregoing is true and correct. Executed on this 17th day of December, 2002 at LITTLE FALLS, MINNESOTA

  
BRUCE SARGENT